



MARKET

Sheng Siong is a supermarket chain born and bred in Singapore. It has 33 outlets of varying sizes located across the island, and serves customers young and old, from all walks of life. Sheng Siong places an emphasis on offering value-for-money and quality products with excellent and efficient service.

ACHIEVEMENTS

Since 2007, Sheng Siong has consistently been ranked third in terms of sales revenue according to the Retail Asia-Pacific Top 500 survey by Euromonitor International. In 2012, besides attaining a rank in the top three within the local retail sector, Sheng Siong emerged as Singapore's "Best of the Best Retailer", the highest honour conferred to an Asia Pacific company, by the award's organisers.

Sheng Siong is an established brand name with a solid track record of performance. Sustained by steady growth, it has earned the status of "Superbrand" every year since 2008.

Sheng Siong Group Limited, Sheng Siong's parent company, was listed on the Mainboard of the Singapore Exchange in August 2011, and was recognised with the "Most Transparent Company Award 2012" under the Retail & Household Goods category at the Securities Investors Association Singapore ("SIAS") 13th Investors' Choice Awards.



Sheng Siong's commitment to the community was acknowledged when it received the Merit Award from the "People's Association Community Spirit Awards 2012". This honour is bestowed upon organisations and partners that have made significant contributions to the community through volunteerism philosophy and commitment, as well as bonding and outreach.

HISTORY

After taking over the retail space of Savewell in 1985, Sheng Siong began as a family-owned retail store on Ang Mo Kio Avenue 3, below a block of residential flats. At the time, Mr Lim Hock Chee (current CEO of Sheng Siong Group Limited and Managing Director of Sheng Siong Supermarket Pte Ltd) and his wife had been renting a stall from Savewell to sell pork from their family's farm, which had an over-supply of product. Savewell was a supermarket chain with 11 outlets, facing liquidity and seeking buyers for its retail space. Within nine months of operation, the couple managed to clear most of the family's excess stock, just before Savewell decided to let go of its outlets.

It was also then that the Singapore government started phasing out pig farms, so Mr Lim Hock Chee, together with his two brothers – elder brother Mr Lim Hock Eng and younger brother Mr Lim Hock Leng - took the plunge and ventured into the supermarket retail business.

Since the early years, Sheng Siong has made its mark by selling quality and value-for-money

products. Combining those standards with personalised service created a winning formula for the company to survive the harsh retail environment. Initial daily turnover of S\$3,000 grew to S\$19,000 within three short years of operation. In 1988 and 1996, Sheng Siong expanded to Bedok and Woodlands respectively. Though its success was apparent in the early years, Sheng Siong grew in a big way after the year 2000. The company took advantage of low rental rates that followed the market downturn with the burst of the dot-com bubble. Within five years, Sheng Siong had added 14 outlets.

The latter part of 2006 onwards saw Sheng Siong embark on an internal restructuring and reorganisation process to pave the way for future growth. This included a makeover of its logo, and progressive upgrading of its outlets. During the consolidation phase, it continued to widen its retail network to bring more convenience to consumers. By the end of 2012, Sheng Siong's total retail area had expanded to 400,000 square feet.

PRODUCT

Sheng Siong aims to provide customers with the most comprehensive selection of products. This ranges from groceries, pre-packed convenience foods, household goods, personal care items, stationery, electronics, and electrical appliances to fresh, chilled, and frozen food items. Sheng Siong is especially strong in the fresh food segment due to its many years of hands-on



experience in the retailing of live seafood, fresh vegetables, and meats. The annual turnover of Sheng Siong Group for the year 2012 was S\$637.3 million.

RECENT DEVELOPMENTS

In line with its solid commitment to provide value-added service and products to customers, Sheng Siong began developing house brand products in 2007. Starting with a series of rice products, including Royal Golden Grain and Matahari Premium Fragrant Rice, it expanded to the Happy Family group of products which include white rice, canned food, condiments and dried food. It also developed washing detergent products under the PowerPlus brand, household paper products under the Softess brand, among many others. To date, Sheng Siong offers over 400 products under its 10 house brands.

To enhance its warehousing and logistical functions, Sheng Siong built a customised distribution centre in Mandai Link, with an approximate total investment of S\$65 million. The distribution centre-cum-corporate headquarters of Sheng Siong was officially opened in September 2012. It has a built area of approximately 543,000 square feet, which is four times the original headquarters.

Recently, Sheng Siong has begun to roll out 24-hour retail operations to cater to the evolving needs of shoppers. By May 2013, six of its 33 outlets were operating around the clock.

In 2013, Sheng Siong Group's distribution and logistics arm received HACCP certification for its processing of fish, seafood, meat and

vegetables. The certification covers the receipt of raw materials, storage, processing, packing, and transportation of finished products. It also obtained HACCP-certification for the repackaging of dried food from the point of receiving raw materials, storage, repacking, and transportation of finished products, as well as for receiving, storage and transportation of frozen food and fruits.

PROMOTION

With the success of 'The Sheng Siong Show', a television variety programme produced in conjunction with Sheng Siong's sales promotions, the company has captured viewers for events that air twice each year. 'The Sheng Siong Show' is a live Mandarin variety game show, telecast on MediaCorp's Channel eight on weekends at prime time, that provides the opportunity for customers to participate and win attractive cash prizes. A popular segment includes rewarding customers with the potential to win 50, 60, 80 or 100 times the amount they spent at Sheng Siong. In recent seasons, seven lucky customers were eligible to win rewards that totaled as much as one thousand times the amount spent. This meant that if a customer had spent S\$80, and his or her receipt was drawn in a lucky draw, the customer could possibly win a cash prize of S\$80,000. This mega-promotion is responsible for increasing shopper traffic significantly during the promotional period.

Besides television commercials, Sheng Siong advertises regularly in all languages in the local dailies, and on radio stations to inform

consumers of its in-house promotions.

In 2013, Sheng Siong supported 'C.L.I.F. 2', a 20-episode drama serial created by the Singapore Police Force and MediaCorp, based on real police cases. 'C.L.I.F.' stands for courage, loyalty, integrity and fairness, the core values of the Singapore Police Force which coincide with the attributes embraced by Sheng Siong.



BRAND VALUES

As one of Singapore's leading supermarket chains, Sheng Siong places its customers as a top priority and strives to be recognised as a trustworthy and sincere retailer. Deliberate efforts are made to operate the most efficient cashier counters; to minimise queues; and to consistently maintain the highest standards of customer service. Sheng Siong...all for you!

www.shengsiong.com.sg

THINGS YOU DIDN'T KNOW ABOUT SHENG SIONG

- Sheng Siong was the first supermarket chain in Singapore to implement the Electronic Shelf Labeling process (ESL) or 'e-price tag' for the benefit of customers in a big way. It started using ESL in a handful of its outlets in 2006. ESLs ensure that the prices displayed on the shelves are in line with the prices in the Point-of-Sale (POS) system, providing customers with reliable, accurate and real-time price information. By the end of 2013, all 33 Sheng Siong outlets will be equipped with ESL systems.
- The company provides one free meal per workday for full-time staff. This has been an ongoing tradition since the company's inception in 1985.
- Sheng Siong believes in profit-sharing with all its employees. This fosters a sense of belonging and brand ownership amongst the staff. A portion of the group's profit, before tax, is distributed as bonuses to employees, and appreciation is shown to those loyal staff who have been with the company for five and 10 years, by awarding them with S\$1,000 cash.

